

California State
Board of Equalization

Electronic Funds Transfer Information Guide

Special Taxes

EFT Assistance for Property and Special Taxes Department EFT Programs

If you have questions regarding Electronic Fund Transfers (EFT), call the appropriate section for your tax or fee program below between 8:00 a.m. and 5:00 p.m., Pacific time, Monday through Friday, exclusive of state holidays.

Excise Taxes Section

- Alcoholic Beverage Tax
- Emergency Telephone Users Surcharge
- Energy Resources Surcharge
- Integrated Waste Management Fee
- Natural Gas Surcharge
- Tire Recycling Fee
- Cigarette and Tobacco Products Tax

Telephone: 916-327-4208

Fax: 916-323-9297

State Board of Equalization
Excise Taxes Section MIC:56
P.O. Box 942879
Sacramento, CA 94279-0056

Environmental Fees Section

- Disposal Fee
- Environmental Fee
- Activity Fee
- Facility Fee and Tiered Permit Fees
- Generator Fee
- Occupational Lead Poisoning Prevention Fee

Telephone: 916-322-9534

Fax: 916-327-0859

State Board of Equalization
Environmental Fees Section MIC:57
P.O. Box 942879
Sacramento, CA 94279-0057

Fuel Industry Section

- Aircraft Jet Fuel Tax
- Motor Vehicle Fuel License Tax
- Childhood Lead Poisoning Prevention Fee
- Underground Storage Tank Maintenance Fee
- Diesel Fuel Tax
- Use Fuel Tax
- Oil Spill Response, Prevention, & Administration Fees
- Water Rights Fee

Telephone: 916-322-9669

Fax: 916-323-9352

State Board of Equalization
Fuel Industry Section MIC:30
P.O. Box 942879
Sacramento, CA 94279-0030

Electronic Waste Recycling Fee Section

- Electronic Waste Recycling Fee

Telephone: 916-341-6906

Fax: 916-341-6951

State Board of Equalization
Electronic Waste Recycling Fee Section MIC:88
P.O. Box 942879
Sacramento, CA 94279-0088

Board of Equalization website: www.boe.ca.gov

Click on "Electronic Services ► Electronic Funds Transfer" – then Special Tax Programs

To contact your Board Member, see www.boe.ca.gov/members/board.htm.

If you have a disagreement you are unable to resolve through routine channels, you are encouraged to contact the Taxpayers' Rights Advocate Office for help. Contact them at:

Taxpayers' Rights Advocate, MIC:70

State Board of Equalization

PO Box 942879

Sacramento CA 94279-0070

Telephone: 916-324-2798 or 888-324-2798

FAX: 916-323-3319

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Chapter I: General Information

Introduction

Electronic Funds Transfer (EFT) is a method for financial institutions to transfer funds from one account to another, eliminating the use of paper checks. Special Taxes Regulation 4905 governs Special Taxes EFT payments.

Special Taxes EFT payments can be initiated by telephone. Over the last several years, taxpayers have used this efficient and cost-effective method for making tax payments.

Depending on the payment method you select, you can go through the Board's data collection service or you can go through your financial institution to authorize the transfer of funds from your account to the Board's.

Program Participation

Mandatory Participation

If you have a Special Taxes account with an estimated average monthly tax or fee payment of \$20,000 or more, you are required to pay the tax or fee by EFT. The Board reviews payment histories each year and notifies businesses when they are required to pay by EFT.

Voluntary Participation

If you are not required to make tax or fee payments through EFT, you can choose to do so on a voluntary basis. Voluntary participation is subject to Board approval.

Withdrawal from Program Participation

Mandatory Participants

You must continue to pay by EFT until the Board advises you in writing that you are no longer required to do so. Each year, your account will be reviewed and if you drop below the mandatory threshold for participation, a letter will be sent to you advising you that your status has been changed from mandatory to voluntary. If, at that time, you wish to discontinue making EFT payments, you must formally request to be dropped from the program. You must continue to make tax or fee payments by EFT until you are notified of an effective date to withdraw from the program.

Voluntary Participants

If your estimated average monthly tax or fee payment is less than \$20,000, you can formally request to be removed from the EFT program. You will be notified of an effective date to withdraw from the program.

Payment Methods

There are two methods for making EFT payments:

- Automated Clearing House (ACH) **debit**
- Automated Clearing House (ACH) **credit**

To use either method, your financial institution must participate in the National Automated Clearing House Association (NACHA) system. The differences between the two methods are explained below. Once you have chosen a payment method, you must register your choice with the Board.

Automated Clearing House (ACH) Debit

Definition

Under this method, you contact the state's data collection service and provide them with your payment information. The state's bank will then debit your bank account for the amount authorized and transfer your payment to the Board's bank account. You can contact the data collection service by telephone toll-free.

Costs

The state pays the cost to report an ACH debit transaction. You will only be responsible for the fees, if any, that your financial institution may charge you for the actual transfer of funds.

Warehousing a Payment

You can contact the data collection service and ask them to debit your account on a specific banking day (within 60 days following your call). For example, if you will be out of the office on the tax due date, you may initiate a payment prior to the tax due date, with instructions to transfer the funds on the desired debit date. Your payment will remain "warehoused" until it is released one day prior to the selected debit date.

Automated Clearing House (ACH) Credit

Definition

Under this method, you contact your financial institution directly and instruct them to transfer your payment to the Board's bank account. Your financial institution should provide you with detailed instructions on how to initiate your payment.

Costs

You will be responsible for any fees charged by your financial institution for setup and processing of your ACH credit transactions.

Technical Requirements

There are specific reporting requirements that your financial institution must follow. They are explained on pages 23-25 of this publication. It is recommended that you give your financial institution a copy of these pages so they can determine if they can properly report your payments. You should do this before you register your method of payment and send in your *Authorization Agreement for Electronic Funds Transfer* (BOE-555-ST).

Registration

How to Register

To register for participation in the Special Taxes EFT Program, please complete and return form BOE-555-ST, *Authorization Agreement for Electronic Funds Transfer* (see Appendix A, pages 29-30, or the BOE website at www.boe.ca.gov/pdf/boe555st.pdf). Photocopies of this form are also acceptable. After your completed form has been received and reviewed, you will be sent a letter confirming your EFT start date.

How To Change Your EFT Registration Information

You must submit a new authorization agreement form if

- You change payment methods (for example, from ACH debit to ACH credit)
- You change financial institutions (ACH debit only)
- You change your savings or checking account number (ACH debit only)
- Your financial institution merges with another and changes its bank routing number (ACH debit only)
- You change your EFT contact person or telephone number

When changing to the ACH debit method or changing financial institutions, please allow at least 10 days for the change to occur before reporting your EFT payment. The 10 days will allow for a prenote (prenotification) test to verify the banking information.

Filing Your Tax or Fee Returns

Even though you are paying taxes or fees by EFT, you must still file your tax or fee return forms on time.

Mailed Returns

Mailed returns must be postmarked on or before the due date specified on the return. Be sure to mail your return before the last postal pickup of the day to ensure a timely postmark. If the due date specified on the return falls on a Saturday, Sunday, or legal holiday, returns postmarked by the next business day are considered timely. You may send your return through a commercial delivery service, but you will need to retain proof of the date the return was sent.

Hand-delivered Returns

Hand-delivered returns must reach Board offices on or before the due date. If the due date specified on the return falls on a Saturday, Sunday, or legal holiday, returns received by the next business day are considered timely.

Due Dates, Weekends, Holidays, and Banking Days

Due Dates

Tax due dates are based on your reporting basis, that is, monthly, quarterly, or annually. You should refer to your tax or fee return for the due date that applies to your reporting basis.

For an electronic tax or fee payment to be timely, it must be initiated on or before the tax due date and the funds must settle into the Board of Equalization's bank account on or before the banking day following the due date.

If you use the ACH debit method of payment and initiate your payment on the tax due date, you must allow enough time to complete your transaction by 3:00 p.m. Pacific time. Otherwise, your payment will not be initiated until the next banking day and will be late.

Weekends and Holidays

When the tax due date falls on a weekend or holiday (National or State of California), it will move to the next business day.

State Holidays

The following holidays are recognized by the State of California:

New Year's Day	January 1 *
Martin Luther King Jr. Day	Third Monday in January
Lincoln's Birthday	February 12 *
Presidents Day	Third Monday in February
Cesar Chavez Day	March 31 *
Memorial Day	Last Monday in May
Independence Day	July 4 *
Labor Day	First Monday in September
Columbus Day	Second Monday in October
Veterans Day	November 11 *
Thanksgiving Day	Fourth Thursday in November **
Day after Thanksgiving	Friday after Thanksgiving **
Christmas Day	December 25 *

* If this date falls on a Sunday, the holiday is observed on the following Monday.

** If the tax due date falls on Thanksgiving Day or the day after, the tax due date will move to the following Monday.

In addition, if the due date falls on the Wednesday before Thanksgiving, the payment must settle into the Board's account by the day after Thanksgiving. (see "Banking Days" on next page)

Banking Days

Federal Reserve System Calendar

Banking days are days the Federal Reserve banks are open. They are open Monday through Friday, except for the following dates:

New Year's Day	January 1 *
Martin Luther King Jr. Day	Third Monday in January
Presidents Day	Third Monday in February
Memorial Day	Last Monday in May
Independence Day	July 4 *
Labor Day	First Monday in September
Columbus Day	Second Monday in October
Veterans Day	November 11 *
Thanksgiving Day	Fourth Thursday in November
Christmas Day	December 25 *

* If this day falls on a Sunday, the banks are closed the following Monday.

Zero Amount Due

ACH Debit – If you owe no taxes or fees for the reporting period, you must still contact the data collection service by the tax due date and report a zero-dollar transaction.

ACH Credit – If you owe no taxes or fees for the reporting period, you must still contact your financial institution and have them make a zero-dollar transaction.

Reminder: You are also required to file a monthly, quarterly, or annual tax or fee return even if you have a zero amount due.

Corrections

ACH Debit – If you discover you have reported erroneous payment information, you may correct the information by canceling your payment and initiating a new payment. If you are unable to correct the payment information prior to the 3:00 p.m., Pacific time cutoff on the due date, you should call the Special Taxes section that administers your tax or fee program.

ACH Credit – If you discover you have reported erroneous payment information, you must contact your financial institution directly for assistance. If they are unable to correct the payment information, you should call the Special Taxes section that administers your tax or fee program.

Note: If your tax or fee return also includes erroneous information, you must file an amended return.

Emergencies

If you experience a problem with making a payment through the data collection service or the automated clearing house system, call the Special Taxes section that administers your tax or fee program. (See list of programs and telephone numbers on the inside front cover of this publication.)

The banking industry offers an electronically transmitted payment system which is called a **Fedwire** that can be used in emergency situations. However, this is not one of the methods approved for ongoing transactions because of the risk of error and the extra cost involved for both the sender and receiver. Your financial institution may charge significant fees to process a Fedwire payment.

You must call the Special Taxes section that administers your tax or fee program to obtain approval and instructions before remitting your tax or fee payment by Fedwire.

Penalty and Interest Charges

The following penalties apply to EFT accounts:

Maximum Penalty

Maximum charges for a reporting period. The maximum assessment for penalties associated with monthly, quarterly, or annual tax or fee return payments is ten percent.

Late EFT Payment

Monthly, quarterly, and annual tax or fee return payments. You will be assessed a ten percent penalty if your EFT payment is late.

Prepayments. You will be assessed a penalty for a late EFT prepayment based on the law governing your specific Special Tax program.

Failure To Pay by EFT

If you are required to pay taxes or fees by EFT, you must continue to do so until the Board advises you otherwise in writing.

Monthly, quarterly, and annual tax or fee return payments. If you do not pay through EFT but use another means (you pay by check, for example), you will be assessed a ten percent penalty, based on the amount paid by another means.

Prepayments. If you do not pay through EFT but use another means (you pay by check, for example), you will be assessed a penalty based on the law governing your specific Special Tax program.

Failure To File a Tax or Fee Return on Time

If you file a late monthly, quarterly, or annual tax or fee return, you will be assessed a ten percent penalty, based on the return amount due even if your EFT payment was made timely.

Interest Charges

EFT payments will be subject to the same interest provisions currently established by the Board for unpaid and late tax and fee payments.

Additional Information

Contact the Special Taxes section that administers your tax or fee program.

Refunds

If you have transmitted more than the amount due, you may call the Special Taxes section that administers your tax or fee program to obtain instructions for requesting a refund or possibly applying the overpayment to another reporting period.

Tracing an EFT Payment

ACH Debit – If you need to trace a payment (for example, to establish that a payment was made or made on time), you must call the Special Taxes section that administers your tax or fee program. If possible, provide them with the reference number you were given by the data collection service when you made your payment. You may also make a payment inquiry through the data collection service by telephone.

ACH Credit – You must contact your financial institution to trace your ACH credit transaction. However, if you need to verify BOE receipt of your payment (for example, to establish that a payment was made or made on time), you must call the Special Taxes section that administers your tax or fee program for assistance.

Chapter II: ACH Debit Payment Method

How to Initiate a Debit Payment

To initiate a debit payment, you must contact the Board's data collection service to authorize the transfer of funds. You can contact them at 800-554-7500. You will need to use a touch-tone telephone and must follow the scripts provided on pages 14-15.

Security Code

If you select the ACH debit method, you will be given a temporary security code. You must change (personalize) your security code before you report your first payment. See page 20 for instructions on how to personalize your security code.

Making a Timely Payment

You must initiate your payment on or before the tax due date. If you initiate your payment on the tax due date, you must complete your transaction by 3:00 p.m., Pacific time.

To make a timely payment, the debit date (the date your funds are transferred and settle into the Board's bank account) must be no later than the first banking day after the tax due date. To make sure that your funds are transferred on time, you must contact the data collection service

- Before the tax due date, or
- On the tax due date and complete your transaction by 3:00 p.m., Pacific time.

When will my account be debited? Can it be debited on the same day I contact the data collection service?

You cannot have your account debited on the same day you contact the data collection service.

The earliest day your account can be debited is the first banking day following the day of your transaction (you must contact the data collection service Monday through Friday, excluding holidays, and complete your transaction by 3:00 p.m., Pacific time).

If you contact the data collection service on a holiday or weekend, or if you contact them Monday through Friday and complete your transaction after 3:00 p.m., Pacific time, the earliest day your account can be debited is the second banking day after completing your transaction. For example, if you contact the service on Saturday or Sunday, your account cannot be debited on Monday; the earliest it can be debited is Tuesday, if that is a valid banking day.

If you call the data collection service to initiate your payment, your account will be debited as described above unless you elect to specify a different debit date. (see next page, "Warehousing a Payment")

Warehousing a Payment

Instead of having your account debited on the first or second banking day following your transaction, you may choose to warehouse your payment. This feature allows you to contact the data collection service and select a future date for your payment to transfer into the Board's bank account. You may designate any banking day up to 60 days in advance, as the debit date (the date the payment will transfer out of your bank account and into the Board's bank account). For example, if you will be out of the office on the tax due date, you may initiate a payment earlier in the month with instructions to transfer the funds on the desired debit date. Your payment will remain "warehoused" until it is released one day prior to the selected debit date.

Note:

- You cannot select the current date as the debit date because your account cannot be debited the same day you initiate your payment.
- The debit date you specify must be a valid banking day (see page 5).
- To avoid penalty and interest charges, the debit date you select must be no later than the next banking day following the tax due date.

Information Needed To Make a Payment

You will be asked to provide the information below. The numbers by each entry correspond to the numbers on the Debit Payment Worksheet provided on page 13. For record keeping purposes, you may want to write your responses on a copy of the worksheet.

1. **BOE Account Number** – Include the leading zero(s) in your 9-digit account number. **Do not** include the alphabetical characters or hyphens that appear in your account number. For example, if your account number is PS MT 012-345678, you would enter only 012345678.
2. **Security Code** – This is your four-digit security code. When you registered, you were given a temporary generic security code. Before you report your first payment, call the data collection service and change the generic security code to a code of your choice (see page 20). This is to ensure that outside parties do not have access to your account. If you lose or forget your security code, call the Special Taxes section that administers your tax or fee program.
3. **Tax Type Code** – The tax type code identifies the type of payment you are making. The following codes are used for programs administered by the Property and Special Taxes Department:

09000	Tax or Fee Return Payment
09001	Tax or Fee Prepayment #1
09002	Tax or Fee Prepayment #2
09003	Accounts Receivable Payment
4. **Tax Period Ending Date** – This is the last day of the reporting period, **not the tax due date**. You must enter this information in the order of month, day, and year (MMDDYY). For example, December 31, 2005, you would enter “123105”. If you are making an accounts receivable payment, use the tax period ending date of the reporting period you are paying.

Note: items 5-8: When entering amounts due, do not use decimal points and be sure to enter cents for all dollar amounts. For example, for \$23,065.00, you would enter “2306500”. For zero amounts, you would enter “000”.

5. **Tax Amount** – Enter the total dollars and cents for the tax or fee amount only. Do not include interest or penalty charges.
6. **Penalty Amount** – Enter the total dollars and cents for the penalty amount.
7. **Interest Amount** – Enter the total dollars and cents for the interest amount.
8. **Total Payment** – Enter the total dollars and cents for tax or fee, penalty, and interest.
9. **Warehoused Debit Date** (optional) – This feature allows you to contact the data collection service and select a future date for your payment to settle into the Board's bank account. See the previous page, "Warehousing a Payment", for more information.
10. **Verification Code** – This code is used to help ensure that your payment information has been entered correctly. This figure is the sum of the digits plus the number of digits in the total payment. For example, if your total payment is \$25,521.78, your verification code is "37", calculated as follows:

Add the digits $2+5+5+2+1+7+8 = 30$

Count the digits $2552178 = 07$

Verification Code = 37

Note: The verification code for a zero-payment transaction is “01”.

Contacting the Data Collection Service

Now that you have gathered the information to make your payment, you can contact the data collection service. The service is available 22 hours a day (with a nightly maintenance window), seven days a week. You may contact them by calling 800-554-7500 and following the “Making a Payment” script, as shown on pages 14-15.

Reminder: Before you make your first EFT payment, you must change your temporary security code to a security code you specify. See page 20 for instructions on how to create your personal security code.

Debit Payment Worksheet

For your convenience, we have included a worksheet on the next page to help you make your payment. We recommend that you make extra copies for future use.

If you fill out the worksheet before you call, you will be able to respond quickly to the questions you will be asked.

You can keep your worksheet to note

- The information you provided to the data collection service
- The date and time you initiated your transaction, and
- The reference number given to you by the data collection service at the end of your transaction.

Debit Payment Worksheet

Make a copy of this blank worksheet to use for future payments.

Tax reporting period _____

Tax due date _____

Reminder: If you wait until the tax due date to initiate your payment, you must complete your transaction by 3:00 p.m., Pacific time, or your payment will be late.

Information reported to the data collection service

For an explanation of each entry, see page 11.

1. BOE account number _____

2. Security code _____

(For security reasons, you may choose to leave this blank)

3. Tax type code _____

4. Tax period ending date _____

5. Tax or fee amount _____

(not including any interest or penalty charges)

6. Penalty amount _____

7. Interest amount _____

8. Total payment _____

(tax, penalty, and interest)

9. Warehoused debit date _____

(optional)

10. Verification code _____

(sum of the digits + the number of digits in the total payment)

Date and time of transaction _____

Reference number _____

Remember: You must send in your tax or fee return on time.

Making a Payment

- Before you call, gather the information you need to make your payment. (See *Information Needed To Make a Payment* on page 11 and *Debit Payment Worksheet* on page 13.)
- If you are calling on the tax due date, you must complete your call by 3:00 p.m. Pacific time. Otherwise, your payment will be late.

Step 1

Dial: 800-554-7500.

Step 2

System: Welcome to the California EFT System. If you are calling from a touch-tone phone, please press '1' now. If you have a rotary phone, please hold the line for operator assistance.

Enter: 1#

System: To expedite your call, please press the pound key (#) after each entry and after the system repeats your entry. If your entry or what you hear is not correct, press the star key (*) and the system will reprompt that field. At anytime during the recording, press the star key (*) three times to transfer to an operator.

Step 3

System: For BOE, press '1'. For EDD, press '2'. For FTB, press '3'.
For CDI, press '4'. For PERS, press '5'. For SCO, press '6'.
For CALSTRS, press '7'.

Enter: 1#

Step 4

System: To report a tax payment, press '1'.
To perform a cancellation or inquiry, press '2'.
For a security code change, press '3'.

Enter: 1#

Step 5

System: Enter your BOE account number.

Enter: _ _ _ _ _ #

System: You entered _____ .

Enter: Press # to accept or * to correct and reenter.

Step 6

System: What is your security code?

Enter: _ _ _ _ #

(See page 20 for information on creating or changing your security code.)

Step 7

System: What is your tax type code?

Enter: _ _ _ _ _ # (09000, 09001, 09002, or 09003)

System: You entered .

Enter: Press # to accept or * to correct and reenter.

Step 8

System: Enter your tax period ending date.

Enter: _ _ _ _ _ # (Respond in month, day, year format. For example, December 31, 2005, would be entered as "123105".)

System: You entered _____ .

Enter: Press # to accept or * to correct and reenter.

Note: Steps 9-12

You must provide figures for steps 9-12, even if you have no amount to report. Do not use decimal points, and be sure to enter cents for all dollar amounts. For example, for \$3,065.00, you would enter "306500". For zero amounts, enter "000".

Step 9

System: Enter your tax amount.

Enter: \$ _____ #

System: You entered _____ dollars
and _____ cents.

Enter: Press # to accept or * to correct and
reenter.

Step 10

System: Enter your penalty amount.

Enter: \$ _____ #

System: You entered _____ dollars
and _____ cents.

Enter: Press # to accept or * to correct and
reenter.

Step 11

System: Enter your interest amount.

Enter: \$ _____ #

System: You entered _____ dollars
and _____ cents.

Enter: Press # to accept or * to correct and
reenter.

Step 12

System: Enter your total amount.

Enter: \$ _____ #

System: You entered _____ dollars
and _____ cents.

Enter: Press # to accept or * to correct and
reenter.

Step 13

System: Enter verification code.

Enter: ____ #

Note: Step 14 Warehouse Date is optional

If you want to skip this step, press the # key after you hear the system message.

Complete this step if you want to specify a debit date other than the next day debit date. The debit date is

- The **next banking day** for calls made Monday through Friday, excluding holidays, and completed by 3:00 p.m., Pacific time
- The **second banking day** for all other calls

You cannot specify the current date as a debit date. See page 10 for more information on warehoused payments.

Step 14

System: Enter the date you would like your bank account debited.

Enter: Press # to skip this step

or

Enter a debit date

__ __ __ __ __ #

(Respond in month, day, year format. For example, January 31, 2006, would be entered as "013106".)

System: You entered _____ .

Enter: Press # to accept or * to correct and
reenter.

Step 15

System: Tax report accepted. Your reference number is __ __ __ __ __ .
Repeating, your reference number is __ __ __ __ __ . Please record this number for your records.

Step 16

System: To disconnect, press '1'. To continue with additional functions, press '2'.

Enter: 1# or 2#:

- 1# (You will hear "Thank you for using the California EFT System.")
- 2# (You will be returned to step 4.)

Canceling a Payment

- If you have initiated a payment, *but want to cancel it*, you must call the data collection service that same day and complete your cancellation by 3:00 p.m., Pacific time.
If you have initiated a warehoused payment (a payment for which you have designated a debit date other than the next banking day), you can wait to cancel your payment, but you must call and cancel by 3:00 p.m., Pacific time, on the banking day before the designated debit date.
If you cannot cancel by the cutoff times discussed above, please call the Special Taxes Section that administers your tax or fee program. (See program listing on inside front cover.)
- When you call, you should have the following information available:
 - The payment amount and all information previously reported.
 - The five-digit reference number for the payment you made. If it is not available, request an inquiry (at step 6 below) to obtain the reference number.

Step 1

Dial: 800-554-7500.

Step 2

System: Welcome to the California EFT System. If you are calling from a touch-tone phone, please press '1' now. If you have a rotary phone, please hold the line for operator assistance.

Enter: 1#

System: To expedite your call, please press the pound key (#) after each entry and after the system repeats your entry. If your entry or what you hear is not correct, press the star key (*) and the system will reprompt that field. At anytime during the recording, press the star key (*) three times to transfer to an operator.

Step 3

System: For BOE, press '1'. For EDD, press '2'. For FTB, press '3'.
For CDI, press '4'. For PERS, press '5'. For SCO, press '6'.
For CALSTRS, press '7'.

Enter: 1#

Step 4

System: To report a tax payment, press '1'.
To perform a cancellation or inquiry, press '2'.
For a security code change, press '3'.

Enter: 2#

System: Hold for operator assistance.

Step 5

Operator: Welcome to the California EFT system. Which agency are you reporting for?

Caller: BOE

Step 6

Operator: Is this a payment, cancellation, inquiry, or security code change?

Caller: Cancellation

Step 7

Operator: What is your BOE account number?

Caller: _ _ _ _ _

Step 8

Operator: What is your security code?

Caller: _ _ _ _

Step 9

Operator: What is your tax type code?

Caller: _ _ _ _ _ (09000, 09001, 09002, or 09003.)

Step 10

Operator: What is the reference number of the payment you wish to cancel?

Caller: — — — — —

Operator: Repeats the reference number, gives date and time the payment was originally made, and repeats all data fields on the tax report that appear on the screen.

Are you certain you want to cancel this payment?

Caller: Yes or No

Yes (Operator proceeds to next step.)

No (Cancellation is stopped and operator goes to step 12.)

Step 11

Operator: Tax report is cancelled. Your cancellation reference number is

_____ .

Step 12

Operator: Do you wish to perform additional tax functions?

Caller: Yes or No

Yes (You will be returned to step 6.)

No (The operator will say "Thank you for using the California EFT System.")

Payment Inquiry

You can inquire about debit payments made in the last 60 days by calling the data collection service. You will need your BOE account number, your security code, and the tax type code for the payment (09000, 09001, 09002, or 09003). Follow the telephone script provided below.

Step 1

Dial: 800-554-7500.

Step 2

System: Welcome to the California EFT System. If you are calling from a touch-tone phone, please press '1' now. If you have a rotary phone, please hold the line for operator assistance.

Enter: 1 #

System: To expedite your call, please press the pound key (#) after each entry and after the system repeats your entry. If your entry or what you hear is not correct, press the star key (*) and the system will reprompt that field. At anytime during the recording, press the star key (*) three times to transfer to an operator.

Step 3

System: For BOE, press '1'. For EDD, press '2'. For FTB, press '3'.
For CDI, press '4'. For PERS, press '5'. For SCO, press '6'.
For CALSTRS, press '7'.
Enter: 1 #

Step 4

System: To report a tax payment, press '1'.
To perform a cancellation or inquiry, press '2'.
For a security code change, press '3'.
Enter: 2# (Wait for operator.)

Step 5

Operator: Welcome to the California EFT system. Which agency are you reporting for?

Caller: BOE

Step 6

Operator: Is this a payment, cancellation, inquiry, or security code change?

Caller: Inquiry

Operator: What is your BOE account number?

Caller: _ _ _ _ _

Step 7

Operator: What is your security code?

Caller: _ _ _ _

Step 8

Operator: What is your tax type code?

Caller: _ _ _ _ (09000, 09001, 09002, or 09003)

Operator: The voice operator will then use online access to tax reports using the BOE account number, security code, and tax type given. The operator will relate information about the most recent payment to the caller.

Step 9

Operator: Do you wish to inquire upon additional calls?

Caller: Yes or No

Yes (The operator will relate the second most recent payment, etc.)

No (Operator proceeds to step 10.)

Step 10

Operator: Do you wish to perform additional tax functions?

Caller: Yes or No

Yes (Operator returns to step 6.)

No (Operator will say: "Thank you for using the California EFT system.")

Creating or Changing a Security Code

To create or change a security code, you must call the data collection service.

Step 1

Dial: 800-554-7500.

Step 2

System: Welcome to the California EFT System. If you are calling from a touch-tone phone, please press '1' now. If you have a rotary phone, please hold the line for operator assistance.

Enter: 1#

System: To expedite your call, please press the pound key (#) after each entry and after the system repeats your entry. If your entry or what you hear is not correct, press the star key (*) and the system will reprompt that field. At anytime during the recording, press the star key (*) three times to transfer to an operator.

Step 3

System: For BOE, press '1'. For EDD, press '2'. For FTB, press '3'.
For CDI, press '4'. For PERS, press '5'. For SCO, press '6'.
For CALSTRS, press '7'.

Enter: 1#

Step 4

System: To report a tax payment, press '1'.
To perform a cancellation or inquiry, press '2'.
For a security code change, press '3'.

Enter: 3#

Step 5

System: Enter your BOE account number.

Enter: _ _ _ _ _ #

System: You entered _____.

Enter: Press # to accept or * to correct and reenter.

Step 6

System: Enter your security code.

Enter: _ _ _ _ #

Step 7

System: Enter your tax type code.

Enter: 09000 #

Step 7A

If you are creating your **first** personalized security code, you will be prompted as follows:

System: Password must be established prior to reporting information. To establish it at this time, press '1'. To disconnect, press '2'.

Enter: 1#

Step 8

System: Enter your new security code.

Enter: _ _ _ _ # (Enter a four-digit code.)

Step 9

System: Enter the new value a second time for verification.

Enter: _ _ _ _ # (Enter your four-digit code again.)

System: Your new security code has been accepted. Please make a note of it for future use. To disconnect, press '1'. To continue with additional functions, press '2'.

Chapter III: ACH Credit Payment Method

General Instructions

Before you make your first payment, you must give your financial institution a copy of pages 23-25. These pages provide specific information they need to report an ACH credit payment. You must also provide your financial institution with the Board's bank routing number and bank account number.

Because your financial institution will originate your payment, you should contact them for specific procedures to follow (for example, they may want you to use a personal computer and specific software to report a tax payment).

Making a Timely Payment

To avoid penalty and interest charges, your payment must settle into (be deposited in) the Board's bank account by the first banking day following your tax due date.

You must contact your financial institution to determine when to initiate your payment so it will settle in the Board's bank account on time. You will need to give them the tax due date to help them determine when you will need to contact them.

Information Needed to Make a Payment

When you are ready to report your payment, you will need to give your financial institution the following information:

BOE Account Number

Include the leading zero(s) in your 9-digit account number. **Do not** include the alphabetic characters or hyphens that appear in your account number. For example, your BOE account number may look something like this: PS MT 012-345678. However, only the 012345678 should be provided (without the hyphen).

Tax Type Code

The tax type code identifies the type of tax or fee payment you are making. The following codes are used for programs administered by the Property and Special Taxes Department:

09000 Tax or Fee Return Payment

09001 Tax or Fee Prepayment #1

09002 Tax or Fee Prepayment #2

09003 Accounts Receivable Payment

Tax Period Ending Date

This date is the *last day of the tax reporting period* — not the tax due date. If you are making an accounts receivable payment, use the tax period ending date of the reporting period you are paying.

Tax Amount

This is the tax or fee amount you are paying, exclusive of any interest or penalty charges. You must indicate an amount, even if you owe a zero amount (that is, you have no taxes or fees to report for the reporting period).

Penalty Amount

If you owe a penalty, indicate the dollars and cents amount of your payment. If you do not, indicate a zero amount.

Interest Amount

If you owe interest, indicate the dollars and cents amount of your payment. If you do not, indicate a zero amount.

Banking Information

If you choose the ACH credit method of payment, BOE banking information will be provided in a letter confirming your choice.

Prenote Test

It is strongly recommended you conduct a prenote (prenotification) test to validate the Board of Equalization's bank routing number and bank account number. This test uses a zero-dollar amount and should be made **at least ten days** prior to origination of the first ACH credit payment.

ACH Credit Specifications

NACHA Requirements

Your financial institution needs the following information to correctly report an ACH credit payment. The guidelines provided here are based on formats approved by the National Automated Clearing House Association (NACHA). For more specific information on NACHA formats, specifications, and definitions, please refer to the NACHA rules book. You can obtain a copy through NACHA, by calling 800-487-9180, or visiting their website (<http://pubs.nacha.org/>).

Cash Concentration or Disbursement Plus Tax Payment

You must transmit ACH credit payments using the NACHA approved Cash Concentration or Disbursement Plus Tax Payment format (CCD+/TXP). Using any other format will cause your payment to reject.

NACHA Record Formats

Your entries for CCD+/TXP transmittals must be reported in the following order:

File Header Record

Company/Batch Header Record

Entry Detail Record

TXP Addenda Record (carries an 80-character free-form field)

Company/Batch Control Record

File Control Record

Record Formats

Information Needed for Record 6 (Entry Detail)

- Field 3 *Receiving DFI Identification*. This is the routing number for the Board of Equalization's bank.
- Field 4 *Check Digit*. This is the final character of a routing number that is used to validate a specific routing number.
- Field 5 *DFI Account Number*. This is the Property and Special Taxes Department's bank account number.
- Field 7 *Individual Identification Number*. This is the taxpayer's/feepayer's account number as assigned by the Board. **Include only the numbers in the BOE account number.** Do not include the alphabetic characters or the hyphen that are part of the entire BOE account number.
- Field 8 *Individual Name*. This is the individual or business name that appears on the Special Taxes account.

Information Needed for Record 7 (TXP Addenda Convention)

See the following two pages.

Record 7 — TXP Addenda Convention

The information listed below is entered into the “free form” area of the addenda record (positions 4-83).

The information must be entered exactly as shown below. All fields must be separated by an asterisk (*). The last field entry must be terminated by a back slash (\). Explanations for the field entries are given on the next page.

TXP FIELD #	FIELD NAME	REQUIREMENT	DATA FIELD TYPE	ELEMENT LENGTH	CONTENTS
	<i>Segment Identifier</i>				TXP
	<i>Separator</i>				*
1	Taxpayer Identification #	M	N	8-9	XXXXXXXXXX
	<i>Separator</i>				*
2	Tax Type Code	M	N	5	XXXXX
	<i>Separator</i>				*
3	Tax Period End Date	M	N	6	YYMMDD
	<i>Separator</i>				*
4	Amount Type	M	A	1	T
	<i>Separator</i>				*
5	Amount	M	N2	1-10	\$\$\$\$\$\$\$cc
	<i>Separator</i>				*
6	Amount Type	O	A	1	P
	<i>Separator</i>				*
7	Amount	C	N2	1-10	\$\$\$\$\$\$\$cc
	<i>Separator</i>				*
8	Amount Type	O	A	1	I
	<i>Separator</i>				*
9	Amount	C	N2	1-10	\$\$\$\$\$\$\$cc
	<i>Separator</i>				*
10	Verification #	O	AN	6	XXXXXX
	<i>Segment Terminator</i>				\

The transaction will not post to your account correctly if

- Alphabetic characters are entered in field 1
- Tax type code is incorrect or missing in field 2
- Amount type code is missing from fields 4, 6 or 8
- You use the Sales Tax bank account number instead of the Special Taxes bank account number

Key: A = Alphabetic AN = Alphabetic and/or Numeric C = Conditional
M = Mandatory N = Numeric O = Optional

Record 7 — Field Entry Definitions

Segment Identifier	This identifies the transfer as a tax payment. It must always be coded as “TXP.”
Separator Identifier	The separator or data element separator is used to separate fields (data elements) within a segment. Use an asterisk (*) as the separator.
Field 1	<i>Taxpayer or Feepayer Account Number.</i> This data element is the account number assigned by the Board of Equalization. Include the leading zero(s) in the 9-digit account number. Do not include the alphabetic characters or hyphens that appear in the account numbers. For example, for BOE account number PS MT 012-345678 you would enter only 012345678.
Field 2	<p><i>Tax Type Code.</i> The tax type code is used to identify the type of tax or fee payment being made. The following codes are used for programs administered by the Property and Special Taxes Department:</p> <div style="margin-left: 40px;"> <p>09000 Tax or Fee Return Payment</p> <p>09001 Tax or Fee Prepayment #1</p> <p>09002 Tax or Fee Prepayment #2</p> <p>09003 Accounts Receivable Payment</p> </div>
Field 3	<i>Tax Period End Date.</i> This date represents the last day of the tax or fee reporting period and must be reported in YYMMDD format. For example, December 31, 2005, would be reported as 051231.
Field 4	<i>Amount Type.</i> The amount type code identifies what type of amount follows. This data element must always be coded as “T” to indicate <i>tax or fee amount</i> .
Field 5	<i>Amount.</i> Enter tax or fee amount here (do not include interest and penalty payments). In the event no tax amount is due, enter zero to comply with the filing requirements. The amount must always indicate cents; however, do not include decimal point (e.g., \$58,485.00 would be entered as 5848500, zero dollars would be entered as 000).
Field 6	<i>Amount Type.</i> The amount type code identifies what type of amount follows. This data element must always be coded as “P” to indicate <i>penalty amount</i> .
Field 7	<i>Amount.</i> Enter penalty payment amount here. In the event no penalty amount is due, enter zero to comply with the filing requirements. The amount must always indicate cents; however, do not include decimal point (e.g., \$5,848.50 would be entered as 584850, zero dollars would be entered as 000).
Field 8	<i>Amount Type.</i> The amount type code identifies what type of amount follows. This data element must always be coded as “I” to indicate <i>interest amount</i> .
Field 9	<i>Amount.</i> Enter interest payment amount here. In the event no interest amount is due, enter zero to comply with the filing requirements. The amount must always indicate cents; however, do not include decimal point (e.g., \$584.85 would be entered as 58485, zero dollars would be entered as 000).
Field 10	<i>Taxpayer Verification.</i> This field is optional. It is used to verify the taxpayer’s or feepayer’s identity. If used, the first six characters of the company name should be entered.
Segment Terminator	<p>The segment terminator identifies the end of the free form portion of the addenda record and must always be coded as a “\”.</p> <p>Example: TXP*012345678*09000*051231*T*5848500*P*584850*I*58485\</p>
Note:	If you have no penalty and interest to report, you may end the record after the tax field (field 5) with a back slash.

Appendix A

Authorization Agreement for Electronic Funds Transfer (EFT) BOE-555-ST

**AUTHORIZATION AGREEMENT FOR
ELECTRONIC FUNDS TRANSFER (EFT)**STATE OF CALIFORNIA
BOARD OF EQUALIZATION*Please Check Appropriate Boxes:*

- ☐ New EFT account
- ☐ Change EFT reporting method
- ☐ Change bank account on _____
(date)
- ☐ Change contact name or phone number

See reverse for instructions on completing this authorization agreement.

(Type or Print in Ink)

SECTION I

TAXPAYER NAME	BOE ACCOUNT NUMBER
DBA (Doing Business As)	BUSINESS PHONE NUMBER ()
CONTACT PERSON	CONTACT PHONE NUMBER ()

Complete Section II or III below:

SECTION II☐ **ACH Debit**

The State Board of Equalization is hereby authorized to initiate debit entries to the bank account identified below and the bank is authorized to debit such account. This authority is to remain in full force until EFT payments are no longer required by statute or, until the State Board of Equalization and I mutually agree to terminate my voluntary participation in the EFT program.

BANK NAME		
BANK ACCOUNT NUMBER (not to exceed 17 digits)		Type of Account <input type="checkbox"/> Checking <input type="checkbox"/> Savings
TRANSIT AND ROUTING NUMBER		
SIGNATURE OF TAXPAYER OR AUTHORIZED REPRESENTATIVE	TITLE OF SIGNER	DATE
PRINT NAME OF SIGNER AND CAPACITY IN WHICH SIGNED		

IMPORTANT: If you have selected the ACH Debit option, you must attach a voided check for the account to be debited. Your voided check will verify bank account, transit and routing numbers. If you are unable to provide a voided check, a bank specification sheet may be used instead of the voided check.

SECTION III☐ **ACH Credit**

The State Board of Equalization is hereby requested to grant authority for the above-named taxpayer to initiate ACH credit transactions to the State Board of Equalization's bank account. These payments must be in the NACHA CCD+ format using the Tax Payment Convention (TXP) and may only be initiated for the EFT tax payments to the State Board of Equalization provided for by statute.

SIGNATURE OF TAXPAYER OR AUTHORIZED REPRESENTATIVE	TITLE OF SIGNER	DATE
PRINT NAME OF SIGNER AND CAPACITY IN WHICH SIGNED		

Return this form to the section that administers the program for the above account:

Excise Taxes Section
PO Box 942879
Sacramento, CA 94279-0056
For EFT assistance, call 916-327-4208

Electronic Waste Recycling Fee Section
PO Box 942879
Sacramento, CA 94279-0088
For EFT assistance, call 916-341-6906

Fuel Industry Section
PO Box 942879
Sacramento, CA 94279-0030
For EFT assistance, call 916-322-9669

Environmental Fees Section
PO Box 942879
Sacramento, CA 94279-0057
For EFT assistance, call 916-322-9534

Make a copy for your records.

Instructions for Completing the EFT Authorization Agreement Form

General

For more complete information about making tax or fee payments by EFT, please refer to the Special Taxes *EFT Program Information Guide*.

Please type or print clearly and return this form to the State Board of Equalization promptly. Be sure to make a copy for your records.

Section I

Complete all blocks in this section. Your BOE account number is required (e.g., 44-123456).

Sections II and III

COMPLETE ONE OF THESE SECTIONS, **NOT BOTH**.

Complete Section II if you select ACH Debit, **OR** Section III if you select ACH Credit. After making your decision, please check the appropriate box and complete every block of information for the method selected.

If the ACH Debit method is chosen, a voided check must be attached to this completed form. Your voided check will verify bank account and transit routing numbers.

The example of a voided check, shown below, indicates where to locate the transit routing number for your bank and your bank account number. Remember to mark the word "void" across the face of the check that you return with the authorization agreement.

The diagram shows a check from ABC BUSINESS, 1234 Park Avenue, Anytown, CA. The check is dated 20__ and payable to the order of \$XXX.XX. The bank is Anywhere Bank, U.S.A. The check number is 1044. The MICR line at the bottom is ⑆133404567⑆1234561304⑆1044. A large 'VOID' watermark is across the center. Numbered callouts point to specific fields: 1 points to the routing transit number (133404567), 2 points to the bank account number (1234561304), and 3 points to the check number (1044).

- 1 Routing Transit Number
(requires 9 digits)
- 2 Bank Account Number
(not to exceed 17 digits)
- 3 Check Number

Important Information

1. Participation in the Electronic Funds Transfer program shall be for a minimum of one year.
2. You will receive a confirmation letter from the State Board of Equalization after approval of this agreement. The confirmation letter will include your electronic funds transfer start date. No electronic funds transfer payments should be attempted before this start date. All tax and fee payments due subsequent to this start date must be made through electronic funds transfer.
3. You must make a written request to be removed from the Electronic Funds Transfer program. For the request to be approved, you must have participated in the program for a minimum of one year and your average monthly tax, over the previous twelve month period, must be less than \$20,000.
4. You will receive a confirmation notice from the State Board of Equalization identifying your ending date for EFT (unless you also close out your account) or the change date if you request to be moved from one ACH payment method to another. You must continue making your tax or fee payments through electronic funds transfer, through the ACH payment method in use at the time of your request, until you receive a confirmation letter from the Board confirming the new payment method and the effective date of the change.

Appendix B

Glossary of Terms

ACH

Automated Clearing House. Means any entity that operates as a clearing house for electronic debit or credit entries pursuant to an agreement with an association that is a member of the National Automated Clearing House Association (NACHA).

ACH Credit

ACH credit is one means by which money is transferred electronically through the automated clearing house (ACH) network. An ACH credit transaction is one in which the taxpayer, through his or her own financial institution, originates an entry crediting the state-designated bank account and debiting his or her own account for the amount of the tax payment.

ACH Debit

Under the debit method, the state, through its depository bank, originates an ACH transaction debiting the designated taxpayer's financial institution account and crediting the state's bank account for the amount of tax payment.

CCD+

Cash Concentration or Disbursement Plus Addenda. This is a standard NACHA data format used to make ACH transactions. The CCD+ format combines the widely used CCD format with a single addendum record that can carry 80 characters of payment-related data known as the TXP (see also "TXP" on next page).

Data Collection Service

Also known as third-party vendor, the data collection service is the party responsible for the collection of taxpayers' information for the purpose of initiating an ACH debit transaction. Taxpayers may report information to the service by means of voice and touch-tone telephone.

Debit Date

This is the date a transfer of funds takes place. It is also known as the settlement date.

EFT

Electronic Funds Transfer. A term that identifies the type of system used to transfer payments or funds electronically. EFT refers to any transfer of funds, other than a transaction originated by check, draft, or similar paper instrument, that is initiated through an electronic terminal, telephonic instrument, computer, or magnetic tape, so as to order, instruct, or authorize a financial institution to debit or credit an account.

Federal Reserve System

The central banking system of the United States, consisting of twelve regional reserve banks and those member depository institutions that are subject to reserve requirements.

Fedwire

One wire transfer system used generally to transfer large dollar amounts instantaneously and which is provided by the U.S. Federal Reserve System.

NACHA

National Automated Clearing House Association. The association that establishes the standards, rules, and procedures that enable depository financial institutions to exchange ACH payments on a national basis.

Prenote Test

A zero-dollar entry sent through the ACH network to verify banking information. If a prenote (prenotification) is processed, it should be done at least **10 calendar days** before EFT payment initiation.

Reference Number

A number provided by the data collection service to callers using the ACH debit payment method. Given after a caller has provided information needed to initiate a payment, the reference number confirms that the tax payment has been accepted. It indicates the date and time the payment was reported and can be used to help trace a payment. Reference numbers may also be used in Fedwire transactions.

Settlement Date

The date an exchange of funds, with respect to an entry, is reflected on the books of the Federal Reserve Bank(s) and participating financial institutions. Also referred to as the debit date.

TXP

Tax Payment Banking Convention Record Format. Contains the data format, contents, and implementation suggestions for taxpayers to pay state taxes through the automated clearing house under the ACH method. This convention is to be used with the NACHA CCD+ format and is used in the majority of other states using EFT for tax collections. The format is carried in the 80-character free-form field of the addendum record.

Warehousing a Payment

This feature allows you to contact the data collection service and select a future date for your payment to transfer in the Board's bank account. This feature only applies to ACH debit transactions. A taxpayer may select a specific debit date up to 60 days in advance. See page 10 for more information.

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